

Summary of Interstate Mining Compact Commission 2013 Annual Meeting
Report by John Baza to the Board of Oil, Gas, and Mining
May 30, 2013

[See attached program for full schedule]

Monday, April 15th

General Session:

- Lanny Erdos, OH – welcome; budget issues regarding sequestration and other program cuts; coal production in OH is flat when rest of country is declining.
- The Mushroom Farm AMD/AML Project – North Lima, OH – Mahoning Valley Mushroom Farm; old coal mine, but surety released in 1999; AMD discharging from basement of house.
- Stream quality study – OH EPA has a stream quality manual that was used as a guide; stream study began at Duck Creek site on B&N Coal Co. property.
- Education in OH – OH Aggregates and Industrial Minerals Association (a meeting sponsor) – upward trend in limestone production since WWII; www.mii.org; www.oaima.org.

Joint Meeting of the Noncoal Environmental Affairs and Mine Safety and Health Committees:

- MSHA proposing cuts of 64% to state training grants; WV suggests that MSHA grants were intended for more than just training; PA and KY pointed out their reliance on these grants; MD elimination of state grants will affect small operators the most.
- Miner Act II being proposed by Rep. Miller.
- Recent meeting with MSHA in Jan. – try again for another meeting in the fall.
- EPA rulemaking – financial assurance requirements under CERCLA, keep monitoring, but there seems to be no press by EPA to take action right now.
- Mining law reform (industry push) – Greg suggests establishing a western states hardrock committee; Good Sam legislation – mainly interest from CO, relates to Clean Water Act liability, consider expanding to coal along w/ non-coal.
- Workshops – need one on bonding?, concept of trust funds, what other kinds of financial instruments are reasonable.
- EITI – a huge time sink for Greg, he participates along with Mike Smith of IOGCC
- IMCC non-coal minerals report – last updated in 2008, we should take another look at it and make some suggestions on updates.
- Sage grouse – an ongoing issue for certain western states; UT, NV, and WY provided some background and current actions.

Tuesday, April 16th

OSM and States Meeting:

- Budget and appropriation – sequestration cuts are a reality, expect reductions in both Title IV and Title V programs; Regional Directors have been charged to characterize individual state needs and to allocate available funds according to highest needs; trying to incentivize cost recovery for states from industry; there are formulas used to quantify

what programs need to properly function – eg. acres under permit, bonds released, etc.; continued to press for decreases in Title V grants – expectation that states will recover costs from industry; creation of hardrock fee program would require federal legislation – looking specifically at AML – want to refocus existing AML programs at completing coal projects, also propose to eliminate funding to certified states and tribes.

- Rulemakings – stream protection rule is wrapped up in litigation and progress is stalled; temporary cessation of operations – working a rule to establish federal requirements – undergone second round of review by solicitors, would like to propose rule sometime this summer; impoundments/dam safety – Inspector General has issued a public finding requiring an OSM response – info available online.
- OSM/BLM consolidation – OSM was asked to look for areas of cost efficiency, but little has been found and no action has been taken.
- Oversight – draft evaluation plan just distributed to states.
- Bond forfeitures, bankruptcies, alternative enforcement – quarterly conference calls on these subjects, any state is invited to participate.
- OSM Tech Transfer – ASMR on geomorphic reclamation – first week in June in Laramie, WY; another geomorphic conference in Albuquerque, NM in May 2014.

Joint Meeting of Abandoned Mine Lands and the Coal Environmental Affairs Committees:

- There is a fair amount of nervousness re: AML grants and the delays of sequestration, especially if sequestration effects carry forward into future years.
- Greg feels that AML emergency funding is probably a dead issue now; the funding is gone, so states should just get used to it.
- Greg needs comment on IMCC testimony by end of next week relative to his e-mail on 4/13
- IN wants to know how long do we think that OSM oversight has value to states – hinting at possibility of states running their programs without SMCRA strings attached; industry would still be subject to some kind of federal law unless Congress decided to repeal SMCRA; would be long odds against that scenario.
- Greg also needs comments on cost recovery proposed rules (Botsis e-mail of 3/26) – needs hard look and response by 5/10.
- Stream protection rules – OSM proposing cursory briefing of states and other stakeholders when they roll out a new draft – whenever that is; so we need to decide the next move after that; Greg will draft a letter and cooperating agency states will confer prior to submitting.

Wednesday, April 17th

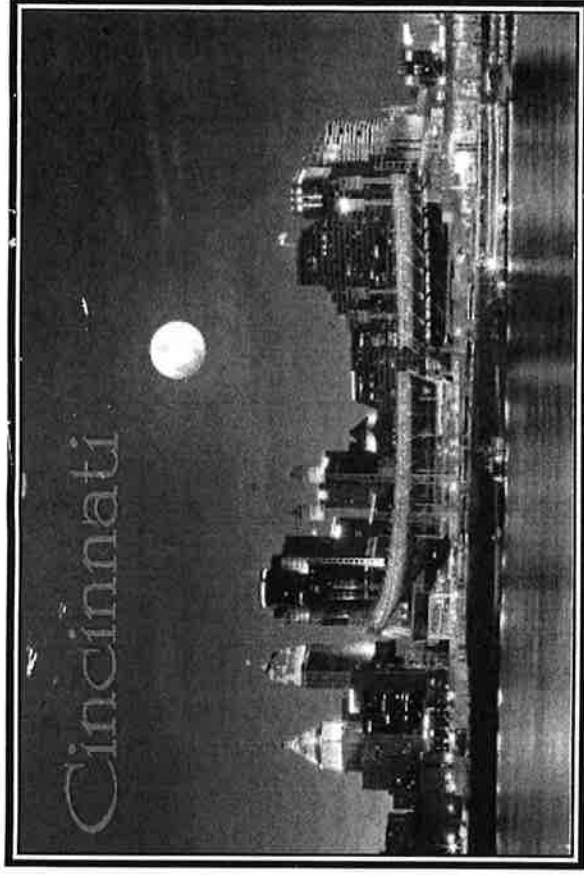
Joint Meeting of the Resolutions and Finance and Administrative Committees:

- Two resolutions approved – thanking host state and thanking speakers.
- Greg reviewed balance sheet, P&L statement, and dues assessment sheets.
- Finance Chair reviewed staff compensation proposals.
- Greg reviewed performance goals – we may only look at one extra workshop this year; also consider IMCC supporting upcoming COGMA conference in Denver this fall.

- UT and AK reported on their successful legislative processes to move to full membership in the Compact.
- Voted on By-Laws amendment for signatory authority for Executive Director – passed. New non-compliance policy for non-paying states was taken under advisement, included concept of creating an Executive Committee consisting of a handful of states.

IMCC Executive Commission Business Meeting:

- See Executive Director's written report (did not copy specific minutes of each standing committee, but JRB has those available if desired).
- Next meeting – October 2 and 3 in San Antonio, TX.



2013 ANNUAL MEETING

Interstate Mining Compact Commission

**April 14 - 17, 2013
Hilton Netherland Plaza Hotel
Cincinnati, Ohio**

Sunday, April 14, 2013

6:00 p.m.

Welcome Reception (Mezzanine)



"Acid Mine Drainage Treatment and Recovery in the Monday Creek Watershed"

Nate Schlater

Watershed Coordinator, Monday Creek Restoration Project

"Education: The Key to Maintaining Our Public License to Operate – Lessons Learned in Ohio"

Patrick Jacomet

Executive Director, Ohio Aggregates and Industrial Minerals Association

Monday, April 15, 2013

8:00 a.m.

Registration (Continental Ballroom)

8:00 a.m.

Continental Breakfast (Continental Ballroom)

8:30 a.m.

General Session (Continental Ballroom)

MODERATOR:

Lanny Erdos

Chief, Ohio Div. of Mineral Resources Management,
Dept. of Natural Resources

WELCOMING REMARKS:

Lanny Erdos

SPEAKERS:

"The Mushroom Farm AML/AMD Project"

Cheryl Socotch and Theresa McQuade
Ohio Department of Natural Resources

"Joint Ohio State University/Ohio DNR Stream Quality Study"

*Robert Baker, Ohio State University
and
Roger Osborne, B & N Coal Company*

11:00 a.m.

Joint Meeting of the Noncoal Environmental Affairs and Mine Safety and Health Committees
(Continental Ballroom)

Noon

Lunch on your own

(Noncoal Meeting to Resume After Lunch)

5:00 p.m.

Dinner at the Moerlein Lager House on the riverfront and optional Cincinnati Reds game to follow



Tuesday, April 16, 2013

8:00 a.m.

Continental Breakfast (Continental Ballroom)

8:30 a.m.

Office of Surface Mining and States Meeting
(Continental Ballroom)

11:30 a.m.

Joint Executive Session of the Coal Environmental Affairs and Abandoned Mine Lands Committees
(Continental Ballroom)

12:30 p.m.

Lunch on your own
(Coal and AML Meeting to Resume After Lunch)

6:30 p.m.

Reception/Banquet

(Mezzanine/Continental Ballroom)

IMCC ANNUAL AWARDS RECEPTION

IMCC ANNUAL AWARDS BANQUET

MASTER OF CEREMONIES:

Lanny Erdos

Chief, Division of Mineral Resources Management,
Ohio Department of Natural Resources



Wednesday, April 17, 2013

8:00 a.m.

Continental Breakfast

(Continental Ballroom)

8:30 a.m.

Joint Meeting of the Resolutions and Finance and
Administrative Committees

(Continental Ballroom)

9:30 a.m.

IMCC Executive Commission Annual Business Meeting

(Continental Ballroom)

Interstate Mining Compact Commission

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Illinois, Vice Chairman

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Alabama, Treasurer

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GOV. MIKE PENCE
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Missouri

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Colorado

GOV. BRIAN SANDOVAL
Nevada

GOV. SUSANA MARTINEZ
New Mexico

GOV. MATT MEAD
Wyoming

EXECUTIVE DIRECTOR

GREGORY E. CONRAD

May 14, 2013

RECEIVED

MAY 20 2013

DIV. OF OIL, GAS & MINING

MEMORANDUM

TO: All Commissioners; All IMCC Committee Members

FROM: Gregory E. Conrad, Executive Director

RE: Minutes of Executive Commission and Standing Committee Meetings Held During IMCC's 2013 Annual Meeting in Cincinnati, OH

Enclosed are copies of the minutes of the Executive Commission Business Meeting held in conjunction with the 2013 Annual Meeting in Cincinnati, OH. Minutes of all other standing committee meetings held in Asheville are attached as "Committee Reports" to the minutes of the business meeting. Please review all of these documents and let us know if there are any corrections, revisions or additions. Should you have any questions regarding the minutes or any of the issues raised therein, or should you require copies of any of the documents referred to in the minutes that are not already attached, please contact us. Also, please keep in mind that the minutes memorialize, in summary fashion, the official actions of the Compact and may be useful to brief senior management concerning the activities of the organization. The Executive Director's report should be particularly helpful in this regard. Also included with the minutes is a dues assessment chart for FY 2014 and 2015 which may be helpful for your accounting/budget departments (although please recall that some states may choose to pay dues based on earlier versions of this chart).

Enclosures

"Serving the States for Over 40 Years"



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MINUTES

Executive Commission Business Meeting

Wednesday, April 17, 2013 – 11:00 A.M.

The Hilton Netherland Plaza Hotel – Cincinnati, OH

The IMCC Executive Commission business meeting was called to order at 10:55 a.m. by John Caudle of Texas behalf of the Commission's Chairman, Governor Rick Perry. A copy of the agenda and a list of attendees are attached.

I. Roll Call of the Member States

The Chairman requested that Beth Botsis, IMCC Director of Programs, call the roll of the member states. Eighteen of the 25 member states were in attendance, which constituted a quorum. The state of New York participated via conference call. Four other states (NM, NV, MO and PA) were in attendance during the majority of the annual meeting but needed to leave early to catch flights.

II. Approval of Minutes of October 12, 2012 Business Meeting

A motion was made and seconded that the minutes of the October 12, 2012 Business Meeting held in Chicago, IL be approved. The minutes had previously been distributed to the member states. The motion was unanimously approved.

III. Executive Director's Report

The Chairman called on Greg Conrad, Executive Director of the Commission, to give a report regarding the activities of the Compact. A copy of his report is attached. Mr. Conrad provided an overview of the many significant activities for the Compact that had transpired over the past several months, noting that this continued to be one of the most active periods for the Compact in many years. He also reported on recent activities regarding membership development efforts. In the interest of time, the Executive Director encouraged the states to review the report and to utilize the report to others in their state who may have in interest in the work of IMCC.

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IV. Standing Committee Reports

It was moved and seconded that all actions of the IMCC Standing Committees, which met at various times throughout the Annual Meeting, be approved. The motion passed unanimously. Copies of the minutes of the Committee meetings are attached and incorporated herein. During discussion, several additional concerns were raised by the states as follows:

- Mr. Conrad raised the question of whether there was merit in considering the establishment of a new committee, sub-committee, working group or caucus that focused solely on western, hardrock issues. During discussions, it was suggested that it was important to work through the existing Environmental Affairs – Noncoal Section Standing Committee in order to preserve a sense of unity and commonality of purpose among the member states. If working groups were needed on specific issues (for instance sage grouse protections), those groups could be established for those purposes, as we have traditionally done in the past on other issues.
- Mr. Conrad inquired about the potential of engaging additional federal executive agencies in IMCC meetings, particularly EPA, the Corps, Fish and Wildlife Service, and the Bureau of Land Management. It was suggested that IMCC consider one or more of these sessions for the 2014 Mid-Year meeting, to be held in Washington, DC as we would more than likely succeed in getting better attendance by federal agencies' representatives at such a location. It was also suggested that headquarters personnel are likely the best personnel to have in attendance at these meetings. If they chose to involve any of their respective regional or field offices, they would be welcome to do so, but the states felt that regional and field office interaction is already occurring at the state level.

V. Future IMCC Meetings

Beth Botsis reported on future IMCC meetings. The 2013 Mid-Year meeting will be held at the Westin Riverwalk Hotel in San Antonio, Texas on October 2 and 3. The 2014 Annual Meeting will be held in Reno, Nevada. The 2014 Mid-Year meeting will be held in Washington, DC. The 2015 Annual Meeting will be held in Baltimore, MD and the 2015 Mid-Year meeting will be held in New Mexico. The candidate for the 2016 Annual Meeting is currently New York and the candidate for the 2016 Mid-Year Meeting is Utah. We will review these again in Texas.

VI. Other Issues of Concern to the Member States

There were no additional issues or concerns raised by the member states.

There being no other business to come before the Commission, the meeting was adjourned at 11:55 a.m.

Attachments